

**REGULAR MEETING
of the
CITY OF RIALTO
CITY COUNCIL
City of Rialto, acting as Successor Agency to the
Redevelopment Agency
RIALTO HOUSING AUTHORITY**

**MINUTES
February 24, 2015**

A regular meeting of the City Council of the City of Rialto was held in the City Council Chambers located at 150 South Palm Avenue, Rialto, California 92376, on Tuesday, February 24, 2015.

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This meeting was called by the presiding officer of the Rialto City Council in accordance with the provisions of **Government Code §54956** of the State of California.

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CALL TO ORDER

Mayor Robertson called the meeting to order at 5:01 p.m.

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The roll was called and the following were present: Mayor Deborah Robertson, Mayor Pro Tem Joe Baca Jr., Council Members Ed Palmer, Ed Scott and Shawn O'Connell. Also present were City Administrator Michael Story, City Attorney Fred Galante and City Clerk Barbara McGee.

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CLOSED SESSION

- 1 Conference with Legal Counsel - Existing Litigation: The City Council will discuss the following pending litigation (s) pursuant to Government Code Section 54956.9(d)(1):

(a) City of Colton v. American Promotional Events, Inc, et al
CD Cal Case No. ED CV 09-01864 PSG(SSx) and consolidated case

CLOSED SESSION

(b) Las Palmas Investments, LLC, et al. v. City of Rialto
S.B. Superior Court Case No. CIVDS1407632

- 2 Conference with Real Property Negotiator. The City Council will confer with its real property negotiator concerning the following properties pursuant to Government Code Section 54956.8:

Property: 521 West Rialto Ave., Unit B

City Negotiator: Robb Steel, Asst. CA/Development Svs. Dir.

Negotiating Parties: Mohammed Baghdadi, Westridge Commercial Under Negotiation: Price & terms of lease

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Scott and carried by unanimous vote to go into Closed Session at 5:03 p.m. and returned at 5:56 p.m.

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CALL TO ORDER

Mayor Robertson called the meeting to order at 6:06 p.m.

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The roll was called and the following were present: Mayor Robertson, Mayor Pro Tem Joe Baca Jr., Council Members Ed Scott, Ed Palmer and Shawn O'Connell. Also present were City Administrator Michael Story, City Clerk Barbara McGee and City Attorney Fred Galante.

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Pledge of Allegiance and Invocation

Council Member O'Connell led the pledge of allegiance and Mayor Pro Tem Baca Jr. gave the Invocation.

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City Attorney's Report on Closed Session

City Attorney Galante stated that City Council met in Closed Session and discussed all the items listed under Closed Session on the Agenda.

- 1a. Conference with legal counsel regarding existing litigation. City of Colton v. American Promotional Events. After a discussion and Motion by Council Member Scott, second by Mayor Pro Tem Baca Jr., and carried by 3-2 to the Law Firm of Paul Hasting pursue recovery efforts in the perchlorate matter within a budget of up to \$200,000. Council Members Palmer and O'Connell voted no.
- 1b. Las Palmas Investments LLC v. City of Rialto. City Council received an update of the case and no reportable action was taken.
2. Conference with real property negotiator, the city Council heard an update on the lease with the negotiating party, Mohammed Bagdadi, Westridge Commercial. No reportable action was taken.

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PRESENTATIONS **PROCLAMATIONS**

No Presentations.

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ORAL COMMUNICATIONS

Miriam Figueroa, 985 Kendall Ave., San Bernardino, a Cal State San Bernardino student conducted a study with other students on the cleanliness of the southwest area of the city. They will conduct the clean up on March 7th 8am-12pm.

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Council Member Scott commended them on their endeavors and recommended they contact Bloomington Christian High School. The seniors are required to perform 40 hours of community service prior to graduation.

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Mayor Pro Tem Baca Jr. stated that he is also a teacher at Rialto High School. He can get some of his students to volunteer. He recommended that they reach out to Eisenhower High School where the key club students are always looking for community service. Also, he can find someone to provide snacks for the volunteers that day.

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Mayor Robertson stated that she appreciates the involvement from the university.

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Council Member Palmer expressed his apologies on behalf of city council for the perception at the last city council meeting, of making light of Mr. Phillips.

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David Phillips, 659 Teakwood Ave., thanked Council Member Palmer for the apology. He expressed his concerns regarding the professionalism of council members.

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Removing or Continuing Items on the Agenda

Council Member O'Connell asked to pull item E-7 for comments and to comment and pull item E-8 until next meeting.

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CONSENT CALENDAR

A. WAIVE FULL READING OF ORDINANCES

1. Waive reading in full, all ordinances considered at this meeting.

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B. APPROVAL OF WARRANT RESOLUTIONS

B.1 Resolution No. 30 (02/13/15)

B.2 Resolution No. 31 (02/20/15)

B.3 Resolution No. 31A(02/20/15)

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C. APPROVAL OF MINUTES

C.1 Regular City Council Meeting - February 10, 2015

D. SET PUBLIC HEARINGS

- D.1 Request City Council to Set a Public Hearing for March 10, 2015 to Consider Adopting the 2015 Upper Santa Ana River Watershed Integrated Regional Water Management Plan.
- D.2 Request City Council to Adopt Resolution No. 6696 Initiating the Proceedings for the Annexation of Properties to the Rialto Landscaping and Lighting District No. 2 and to Levy and Authorize Collection of Assessments Commencing with Fiscal Year 2015/2016; Adopt Resolution No. 6697 Declaring the Intention to Annex Properties to the Rialto Landscaping and Lighting District No. 2 and Conduct a Property Owner Protest Ballot Proceeding On The Matter of the New Assessments Related Thereto Commencing with Fiscal Year 2015/2016; and Set a Public Hearing for April 21, 2015 to Conduct a Property Owner Protest Ballot Proceeding.

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E. MISCELLANEOUS

- E.1 Request City Council to Adopt on Second Reading Ordinance No. 1558 "AN ORDINANCE OF THE CITY OF RIALTO, CALIFORNIA, AMENDING CHAPTER 5.42 OF THE RIALTO MUNICIPAL CODE REGARDING OFFICIAL POLICE TOW TRUCK SERVICES."
- E.2 Request City Council to Approve an Increase to the Annual Purchase Order with Bio-Tox Laboratories for FY14/15 for Testing Expenditures Through June 2015 for a total cost of \$25,000.
- E.3 Request City Council to Receive and File the Statement of Income and Expenses related to Airport Escrow Account for January 2015.
- E.4 Request City Council, Acting as Successor Agency to the Redevelopment Agency for the City of Rialto, to Adopt Resolution No. SA2-15 Approving the Recognized Obligation Payment Schedule known as ROPS 15-16A and Resolution No. SA3-15 Approving the Administrative Budget, both for the period of July 1, 2015 to December 31, 2015.
- E.5 Request the City Council to Accept the Recommendation from the Utilities Commission and the Transportation Commission to approve the revised City Standard Plans.

CONSENT CALENDAR

- E.6 Request City Council to Adopt Resolution No. 6698 for the Placement of Liens Against Abandoned Properties for Failure to Comply with Administrative Citation to Correct Code Violations.
- E.7 Request City Council to Consider Approval of travel and training request for Mayor Deborah Robertson and Council Member Ed Scott to attend the City County Conference on March, 26-27, 2015.
- E.8 Request City Council to issue a Facility Alcohol Use Permit to the Kiwanis Club of East Rialto for the Rialto Jazz Festival to be held on April 25, 2015 at Frisbie Park
- E.9 Request City Council to approve an agreement between City of Rialto and Rialto Unified School District for a Ten-Week Elementary Basketball League run by the City of Rialto Recreation and Community Services Department.

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Item E-8

Council Member O'Connell stated that the reason he wants to pull this item is because he knows they will present at the next meeting. This references an alcohol use permit for the Kiwanis Club in regards to the Rialto Jazz Festival to be held of April 25th. Apparently it's a jazz festival for the whole city. A week ago he and Council Member Palmer met with the City Administrator, George Harris, and the City Attorney to discuss the jazz festival. They will be presenting information about it at the next meeting. Some of the issues they asked about was to ensure that police and fire concerns were going to be addressed. Insurance issues, making sure they are covered. There are some employees being used to pave the parking lots and do stuff now and they are going to try and recover that. It's making sure the citizens are informed, and apparently they went door to door. This is like putting the cart before the horse. He would like to pull it until the next meeting so they can get the information on the jazz festival.

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Mayor Robertson asked that he speak to E-7 first so they can approve the consent calendar and there are requests to speak.

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Item E-7

Council Member O'Connell stated that this item involves travel by City Council Members. It's his understanding that they approved some travel and at the next meeting, two of the council members are not going to be available. If at possible, if there is any travel that will affect city council meetings, can they note it in the staff report so they can discuss it before they approve it.

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City Administrator Story stated yes, they will add that.

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CONSENT CALENDAR

Mayor Robertson stated that she is making adjustments to the calling of oral communications.

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Mayor Pro Tem Baca Jr. suggested calling people to speak before they pull items from the Consent Calendar so they can make a decision after everyone speaks.

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Oral Communications

David Phillips, 659 Teakwood Ave., asked about some possible errors in the paperwork. The dates of travel and the difference in travel expenses.

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Motion by Council Member Scott, second by Mayor Pro Tem Baca Jr. and carried by unanimous vote to approve the consent calendar with the exception of Item E-8.

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Oral Communications

David Phillips, 659 Teakwood Ave., expressed his concerns that an entire park will be shut down. He feels that the City should follow the same rules that the community should follow.

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Joanne Gilbert, expressed the benefits of the jazz festival helping the youth of the community.

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Midge Zupanic, 197 E Meadow Lane, Treasurer for Kiwanis Club of East Rialto, stated that they have been asked to man the beer and wine booths for the jazz festival. They have enough people to do that and they have their own insurance policy that will cover them through Kiwanis. They will get their own ABC license so they are licensed. She understands they are considering the alcohol use because it's on city property. They will take all the responsibility for that booth.

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Item E-8

Council Member O'Connell stated to clarify, he is not against this. It's more of the City collaborating over a jazz festival and they haven't been informed of it. He has a lot of people calling from around the area saying what is it, when is it, what is it about? This is why he asked George to put a presentation together. The earliest they can do it was next meeting. They had a meeting where they discussed some of the questions he had with the City Attorney. That was going to be presented as well. These are just the questions that the citizens would normally have. The only issue he has going forward, he doesn't believe the City of Rialto should be associated with any event unless the City Council is aware of it. It's embarrassing when someone calls him and says the City is putting on a jazz festival, what is happening?

Item E-8

Council Member O'Connell stated there are questions that he hopes they can talk about next week. He is not against it, it sounds like a great event. He knows the Mayor has put on a smaller event where it's been donated to the schools. He doesn't mind partnering up, again there is an insurance policy, make sure fire and police are informed. As of last week, those were not being addressed. He has heard they are now. He is only pulling this because it seems it's the cart before the horse. They haven't looked at the event yet and they are talking about approving a liquor license.

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George Harris, Administrative and Community Services Director stated the policy adopted by City Council that relates to allowing the use of alcohol on city property requires a 60 day application process which ends tonight. If the approval is going to be delayed he would request as the Chair of the Rialto Youth Collaborative that City Council agree to waive the 60 day period requirement so they can appropriately react to all the questions.

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Mayor Robertson stated that she knows there are comments being made that at some of the meetings and people were not aware of the upcoming event. She knows that she and Mr. Harris met with the Police Chief who is not here this evening and they started dialogue to make sure they understood what levels of personnel they would need to have involved. There were meetings with Lt. Hardin on the number of people who would be involved and the type of services they would provide. As well as the level of security they would have. This is the 3rd Annual event to try and raise awareness about international jazz month and of course the jazz drop in where they have been trying to raise funds to support Henry Elementary VAPA school and Eisenhower's Marching Band and Jazz Band to perform in Washington DC. This afternoon she received a request from the National Memorial Day event in Washington DC asking again that the City nominate 3-5 high schools to participate in the national parade. It's great to nominate them but it's also a struggle to figure out how they will get there. This effort was ongoing, the efforts to raise this to another level. She thinks that everyone in this community has talked often about moving from a one business fundraising effort to really bringing jazz to a jazz event and that kind of venue to our community. She commends Mr. Harris for taking the initiative and lead and he was the one who came forward and suggested it along with other members of the community. This item is just they need to act on authorizing any group to be able to use or permit the use of alcohol at any public facilities. If in fact that is something they can do by waiving the 60 day requirement?

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Item E-8

City Attorney Galante stated City Council can simply vote on that particular waiver. He did work with Mr. Harris on the staff report and trying to address some of the questions that were posed. He thought the staff report addressed all those issues. It is not entirely clear as to what additional information is sought. Either the City Council can approve just the waiver of the 60 days or if City Council wishes to continue it to another date, perhaps there can be some clarification as to what additional information is sought so staff can prepare responses.

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Mayor Robertson stated that she looked at the report and felt that they covered quite a bit of information.

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City Attorney Galante stated so to the extent that this City Council wants to continue it, it would be good to get a statement of what additional information is sought.

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Council Member Scott stated that it seems to him that tonight this is strictly a request to issue a facility alcohol use permit. Whether or not the jazz festival went on, he doesn't think it would be inappropriate to go ahead and issue it this evening contingent on the jazz festival proceeding. Whatever questions arise as a result of the jazz festival can be answered at a later date. To hold this off tonight, this has to go through ABC and the police department and sometimes it's a cumbersome process. Depending on how busy they are at ABC they are running close to get the permit approved to begin with. His suggestion would be to approve the permit tonight contingent on the jazz festival proceeding.

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Council Member Palmer stated to clear up possible misconceptions that are out in the public. When Council Member O'Connell said they get calls from the public and they don't know what's going on, it's not because they are uninformed on the City Council. This not a collaboration with the City of Rialto. The City of Rialto has nothing to do with this event. This is a private event put on by the Rialto Youth Collaborative which is a non-profit organization not associated with the City. The Mayor had her event at Sal & Limon, it's a private event. The City has nothing to do with it. This is why questions are being asked. The City is not involved, they are not putting any money into it. There is no liability on their behalf.

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Council Member O'Connell stated the only concern he has is that it's being advertised as a City event. This is where the misconception is being held. Also, it involves personnel, city property and that's right a different organization is putting it on.

Item E-8

Council Member O'Connell stated this is where they get involved. Reference Council Member Scott's proposal he thought it was a something that was helpful. They can maybe approve this pending the outcome of the approval of the jazz festival.

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Council Member Scott asked if there was a presentation planned in two weeks?

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George Harris, Administrative and Community Services Director stated that it was his understanding that the application for the alcohol permit was the extent of the required approval from City Council. If it's being suggested that a full presentation be requested to approve the event, the event goes through a sub-committee involving representatives from all departments to review a special events application. If it's a request that it come back for formal approval in two weeks then that is extraordinary to how they handle these types of events. The point of the council approval is for the alcohol permit.

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Council Member Scott asked if the committee already approved the event?

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George Harris, Administrative and Community Services Director stated yes.

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City Administrator Story stated that if it's a presentation to inform the City Council and the community more about the event, they can do that. It's the same when Rotary Club comes and makes a presentation about Run Whatcha Brung and American Cancer Society for Relay for Life. This is what they can have Rialto Youth Collaborative do to help answer some of the questions.

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Council Member Scott stated so in two weeks it will be informational.

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City Administrator Story stated yes, he would see it as informational. Unless, directed by City Council differently. The information provided tonight was to help clarify information regarding the alcohol use permit. If there is other information regarding the actual event, they can provide that presentation of the event.

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Item E-8

Mayor Pro Tem Baca Jr. stated that he wanted to make sure that they are clear. They have an event that they could potentially approve the alcohol permit. One of the things he wants to make sure is that it's not a City event. So, anytime, anyone does an event are they going to ask them to come before City Council to ask for the blessing? So if they want to come and promote it like Run Whatcha Brung there is a difference between a promotional and encouraging residents to come as opposed to a presentation asking for a blessing. They are talking about two different things. So in two weeks if it's just for promotional purposes then absolutely. He doesn't want to get in the habit of starting to require everyone that does an event to come up here and ask City Council for its blessing. Based on Council Member Scott's recommendation, with the 60 day alcohol permit pending moving forward of the jazz festival, he'd like to make a motion to approve it tonight.

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Council Member O'Connell stated that he would like to make an amendment. The amendment would be that they put this off, they waive the 60 days and put this off for two weeks until they can hear about the presentation. He hears Council saying that there is no reason they have to get a special approval from the City for every single event. He would agree, but when it's being advertised as a City event by Mayor and City Council Jazz Festival then it's implying to the general public that its city related. There are a lot of serious questions they had. Some of them are now being addressed in this staff report where raised by himself and Council Member Palmer referencing police and fire. He knows there was a meeting before but it didn't really clarify exactly what the amount of personnel that was needed until after the meeting. He doesn't feel comfortable approving this unless they get a complete airing of what is being planned. He would hope that they can hold this off for two weeks, waive the 60 days until they hear the presentation and they can approve it then.

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Amended Motion by Council Member O'Connell, second by Council Member Palmer.

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Mayor Robertson stated if she understands correctly they need to vote on the amended motion?

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City Attorney Galante stated that is correct, there is also an opportunity to further amend the motion. But since there wasn't a second on the original motion, then there is just one main motion which can be further amended.

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Item E-8

Council Member O'Connell stated that he is only asking to hold off for two weeks so that he can get more information and feel more comfortable voting for it. It would be his hope that it would be reasonable for Council.

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Mayor Robertson stated going back to the fact that the action before them is really not about the presentation or if they are going to be supporting the presentation or not. The action is requesting to act on the one day permit that would be issued to the non-profit organization. She is concerned that there is a time factor with the other agencies who have to respond, which is why they initially had a 60 day period requirement to be acted on by the City so the organization can go forward. She would have some concerns for delaying for two weeks.

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Motion by Council Member O'Connell, second by Council Member Palmer and motion fails by a 2-3 vote to wait two weeks for approval of the Facility Alcohol Use Permit.

The vote was: AYES: Council Member O'Connell, Council Member Palmer NOES: Mayor Robertson, Mayor Pro Tem Baca Jr., Council Member Scott. ABSTAIN: none. ABSENT: none.

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Motion by Council Member Scott, second by Mayor Pro Tem Baca Jr. and carried by a 3-2 vote to approve the issuing of the Facility Alcohol Use Permit tonight and also with the understanding that there would be a presentation in two weeks, not for approval but a presentation of the Jazz Festival.

The vote was: AYES: Mayor Robertson, Mayor Pro Tem Baca Jr., Council Member Scott. NOES: Council Member O'Connell, Council Member Palmer. ABSTAIN: none. ABSENT: none.

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TAB 1 – Placement of Liens for Delinquent Refuse Accounts

Robb Steel, Development Services Director presented the staff report regarding the placement of liens for delinquent refuse accounts for the third quarter of 2014.

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Mayor Robertson declared the public hearing open. No one came forward.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Scott and carried by unanimous vote to close the public hearing.

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TAB 1 – Placement of Liens for Delinquent Refuse Accounts

Motion by Mayor Pro Tem Baca Jr., second by Council Member Scott and carried by unanimous vote to approve the Placement of Liens for Delinquent Refuse Collection Accounts for the Third Quarter of 2014; and Adopt Resolution No. 6699 Authorizing the Filing of Liens Against Certain Properties for Delinquent Refuse Accounts with the San Bernardino County Auditor Controller-Recorder.

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TAB 2 - Construction Contract for Metrolink Parking Lot Expansion Project

Council Member Palmer and Council Member Scott both own property within 500 feet of the project and abstained from voting on TAB 2. They left the dais at 7:02 p.m.

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Robb Steel, Development Services Director presented the staff report regarding a Construction Contract to Southwest Construction Co. Inc. for the Metrolink Parking Lot Expansion Project, City Project No. 120808.

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ORAL COMMUNICATIONS

David Phillips, 659 Teakwood Ave., expressed with the project being \$1.3 million to construct, that they make sure that Southwest Construction provide the project on budget.

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Mayor Robertson stated that she was the one who raised concerns about the DBA efforts. She is having a difficult time viewing the additional documents provided. She found it interesting that the second bidder while they were much higher than the apparent low bidder was able to find a sub-contractor to meet the DBA goals. Yet Southwest was unable to. She thought she was going to have a further discussion with staff and Willdan to review the documents they provided. She did ask the procurement manager if in fact he received a request from the company to access the database. And she was told that they didn't believe they had received a request. Is there anything that can be added because she hasn't had a chance to see all the documents. Because this is Federal funds, they have to show at the end of the year that the City met the cumulative DBE goal. Maybe they don't meet it with this particular one, but at the end of the year they are expected to meet the annual goal. She couldn't see where they made the contact or the effort to access the two major databases.

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William Jernigan, Purchasing Manager stated that the Mayor had asked him if he had been approached to research DBE and he had not.

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TAB 2 - Construction Contract for Metrolink Parking Lot Expansion Project

Robb Steel, Development Services Director stated that in the staff report there is evidence that efforts were made, and publicized in newspapers that target that audience, specific agencies and organizations that were solicited to submit bids.

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Mayor Robertson stated that usually you would want to start with the Agency to see what types of businesses are DBE in their database. Or they may want to go to the State to access the certified DBE database. Nonetheless that was her concern, the effort.

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Council Member O'Connell stated he is looking at a 192 page document. Is this document how they went out and made a good faith effort?

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Robb Steel, Development Services Director stated that it's the solicitation, the contact they made with a DBE and the fax records. They tried to show there was a specific receipt of a document and follow up phone calls.

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Council Member O'Connell stated that it's very extensive, with all the comments and highlights? Did staff do this?

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Robb Steel, Development Services Director stated no, it was pulled together from the bid documents, but the actual paperwork was submitted by the contractor.

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Mayor Robertson stated that she is familiar with how they can make requests for bids. She is not personally comfortable with the efforts. They did give two alternative recommendations. She doesn't want to start a process where later they have other issues. She would rather reject the bid and move forward.

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Mayor Pro Tem Baca Jr. stated that he is also concerned about making sure they continue to make efforts for DBE. He would make a motion to reject the bid and re-bid it and do everything they can to make sure they do have designated DBE's to participate in the process.

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Council Member O'Connell stated based on staff recommendation and 192 pages of how they attempted to do it he cannot second that motion. It's a matter of savings of almost \$90,000.

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TAB 2 - Construction Contract for Metrolink Parking Lot Expansion Project

Robb Steel, Development Services Director stated that as part of the motion they need to make a finding that they don't believe a reasonable effort was made to procure DBE's because that is what they are obligated to find under the Federal regulations.

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Motion by Mayor Pro Tem Baca Jr., second by Mayor Robertson and carried by a 2-1 vote to reject all bids due to fact they don't believe a reasonable effort was made to procure DBE's for this project.

The vote was: AYES: Mayor Robertson, Mayor Pro Tem Baca Jr. NOES: Council Member O'Connell. ABSTAIN: none. ABSENT: none.

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Council Member Scott and Council Member Palmer returned to the dais at 7:12 p.m.

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TAB 3 – Mid Year - Amend Estimated Revenues and Appropriations for the FY 14/15 budgets

George Harris, Administrative and Community Services Director presented the staff report regarding Amending Estimated Revenues and Appropriations for the FY14/15 Budgets of the City, the Rialto Utility Authority, Redevelopment Successor Agency, and Rialto Housing Authority.

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Council Member Scott left the dais at 7:16 p.m. and returned at 7:17 p.m.

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Mayor Pro Tem Baca Jr. left the dais at 7:21 p.m. and returned at 7:23 p.m.

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Council Member Scott stated that he doesn't have any problems with the proposals. He appreciates the information, but is it accurate to say that the increases in General Fund revenues are as a result of property taxes, VLF sales tax and licenses and permits?

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George Harris, Administrative and Community Services Director stated yes there has been increases.

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Council Member Scott stated in relationship to the lease payment from the Water Fund, \$2 million a year is that the actual amount coming to the City?

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Mr. Harris stated that it has been greater. So in the first full year, 13/14 of implementation, the City recognized an additional \$1.4 million above the \$2 million originally budgeted.

**TAB 3 – Mid Year - Amend
Estimated Revenues and
Appropriations for the FY 14/15
budgets**

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Council Member Scott asked so a total of \$3.4 million?

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Mr. Harris stated yes for last fiscal year. This year they are awaiting their mid-year review which will give them a better picture of what to expect above the \$2 million.

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Council Member Scott asked if all that money is coming into the General Fund? He has a concern that this money being in here. In the future, he thinks they ought to consider keeping and retaining some of that money in the RUA. They established an environmental fund in case nitrates, arsenic or other chemicals like perchlorate were to appear. When they originally did the water deal they established the environmental fund. His understanding is that the fund is \$0. He thinks they should hold back some money for that in the future. Additionally, they are aware that capital projects in both water and wastewater are going to change and adjust. They should have some cushioning in the fund to accommodate those adjustments over the next few years so they have money in the RUA. Mr. Harris told him that they have a RUA reserve of \$5 million.

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Mayor Pro Tem Baca Jr. stated that he appreciates staff for bringing forward this recommended capital spending from all the departments. One of the things that is important about this decision is that the public feels comfortable that they are re-investing back into the community. These are great recommendations. The other thing in regards to the streets, to keep in mind that because of more efficient cars on the streets they are getting a lot less gas tax money. He appreciates staff for investing in the curb, gutters and streets. This is important to the community. They have to keep that in mind as they look to the future, it will be tougher to get those dollars.

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Council Member Palmer thanked Mr. Harris for a good presentation. It's a great day in Rialto when they have \$9.6 million over the projected reserves that they can use in the City. At some point they may give some back to the employees. As housing increases in value and sales tax increases they can project more of this in the future.

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Council Member O'Connell thanked staff for a great presentation. He appreciates Mr. Harris sitting down with them on multiple occasions. Over the last two years that he has been on City Council it's been amazing, they went from a balanced budget. A lot of the money came from not filling positions and employees stepping up. Putting things out to bid. Controlling attorney fees.

**TAB 3 – Mid Year - Amend
Estimated Revenues and
Appropriations for the FY 14/15
budgets**

Council Member O'Connell stated that when he outreached in the community, one of things he always said was when they get the money they were going to be open about it. They are going to put it out and to him it's like legs on a chair. It's not linear, go pay this first. This is what they have to address and this is what this document actually does. Capital equipment, they have been behind on getting Fire Dept. their equipment. He is excited that they are going to spend over \$700,000 this year on roads because they have been talking about this for a long time. He is excited about the community center rehab. 1600 people use the community center every week. Every day that is a reflection on them. He wanted to point out the hard work by the employees, they are out there every day and they see from the City Administrator on down. One of the things they can't do is that this is not reoccurring capital so they can't give raises. But looking at this and he spoke with staff, he always spoke of Nordstrom's because he use to work there. One of things about Nordstrom's is that they give great customer service as employees. They have been encouraged to do it. It's a slow cultural change but by giving great customer service, the citizens benefit. One thing that was weird he learned from Nordstrom's is that they treated the employees pretty well. What he was looking at by being somewhat creative, he was looking at the actual figures and without making any changes to the figures there was \$1.5 million being placed for the attorney for litigation expenses. It seemed excessive so his recommendation was that they take 5% of this \$9.6 million and feed it back to the employees as a one-time bonus, to thank them for the last 7 years and to keep it up. They expect staff to treat the employees the right way. That money would come from the \$1.5 million so that it doesn't affect any of the capital, roads, etc. After speaking to the City Administrator and Mr. Harris it would be doable.

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Mr. Harris stated as far as identifying a one-time bonus to the employees they would go through a side letter process because it's not currently a benefit identified in their MOU's, if that is the wish of City Council.

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Council Member O'Connell stated that he spoke with some of the Department Heads and they said their employees are doing a tremendous job. That if they had the opportunity to give a small amount of money back that they would. Please understand that this not a significant amount. Their responsibility is for the citizens of the City and to the businesses and it's for making sure they move forward. The majority of this would go back towards the city.

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Mayor Robertson stated it was a great report and the information to take time and look at the hard choices that have been made and that they are moving in a direction where they actually see a surplus to fill in capital needs.

**TAB 3 – Mid Year - Amend
Estimated Revenues and
Appropriations for the FY 14/15
budgets**

Mayor Robertson stated on the same note it is to move some of the positions where they had to rely on part times. Recognizing the part time positions often pose a dilemma and restriction on the level of service and continuity to the community. She is happy to see they are moving some of the positions where they recognize they want to provide more information and improve on their customer service by moving some of these positions to full time. It definitely goes without saying, they said over \$736,000 in curb and gutter, but she picked that he said they are talking about \$3.6 million in road overlay. That is a significant number. It's timely and interesting because today she had a young man visit her who was a second year at Valley College. He is a Rialto High graduate and he is studying to be a teacher. Part of his political science test was to interview a local elected official and to raise a concern. It was fascinating that he came forth to bring a video of a concern about the lack of sidewalks, curbs and gutters at Rialto High on Mill Street going East from Pepper. She knows that is someone else's jurisdiction but it doesn't prevent them from also working with the school district in collaboration for Safe Routes to School and other jurisdictions to take that concern forward. She really appreciated hearing this is what they want. They want the citizens of tomorrow to be coming forward and raising those concerns and asking how do they go about addressing it. While these particular dollars here will go over there but there are efforts where they work on multiple jurisdiction projects. The student was Sean Andrew Thom who graduated 2 years ago from Rialto High School, he came and felt that was the project he wanted to bring forward. With regards to the one-time bonus to employees, if it's possible and there was some way they can carve that out and look at it. She doesn't know if they need to take that in this action or try to readjust something. The \$1.5 million that was noted here in the proposal is clearly something they anticipate so it's not hidden. They are being noticed that there may some future litigation as it relates to Measure U. So, they are trying to appropriately plan for it a little better than at the time they took on defending themselves on the perchlorate matter. They asked the citizens to undergo a surcharge. Reserving some funds anticipating that there may be litigation is wise. But if that is where they can make adjustments and find that going through all the side letters is appropriate then she doesn't think it would be too unreasonable to provide 320 employees with something to say thank you for hanging in there with them.

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Mayor Pro Tem Baca Jr. recommended that approve the recommended capital withholding the litigation reserves and come back with that. There is no urgency to do that now to give them some figures and then they can approve that with the one-time bonus for employees.

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**TAB 3 – Mid Year - Amend
Estimated Revenues and
Appropriations for the FY 14/15
budgets**

George Harris, Administrative and Community Services Director stated that they could but it would be helpful to provide him with a budget to work with. The litigation reserves amounted to \$1.5 million. Are they suggesting to reducing it by \$500,000 or \$400,000 so they can identify the transfer from this point.

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City Administrator Story stated as for the recommendation, is it to all employees inclusive of probationary employees? Is it strictly for employees not on probation. At the direction of City Council they will make that occur. He just wanted to bring it to the attention that the reason why they didn't suggest something like this was usually when they have one time dollars they don't apply them to ongoing, concurrent costs with staff. They talked about this through class comp studies and other things, when tank farm money and other reoccurring revenue will come in its something they will definitely do. This is one of the reason why they didn't include it in this. He wants to make sure it's on record that if they agree to employees \$1000 then he will forego it and it can go to somebody else.

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Mayor Robertson stated that the suggestion and thought was noble, there is always devil in the details. She is beginning to feel like deferring to the City Administrator with his staff to come back with some directions and recommendations.

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Council Member Scott stated that he agrees that it's a good idea. The employees have made a lot of sacrifices not just over the last 2 years but over the last 4-6 years. He thinks it's a good idea and agrees with the concept of having the City Administrator come up with a formula. He appreciates the City Administrator saying that he doesn't need it and won't take it. Because there are a lot of people, while managers deserve a bonus too, he thinks the guys out in the trenches deserve as much, if not more because a lot of them have made huge sacrifices. He would like to see, whatever it is, it be across the board and fair to everyone.

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City Attorney Galante stated from a procedure standpoint, Mr. Harris had described accurately, this is a budget to allocate an amount of money that details of any particular benefit would be subject to the meet and confer process and a side letter.

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Council Member O'Connell asked if this would include elected officials, City Administrator and Department Heads or should they just limit it to the boots on the ground.

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**TAB 3 – Mid Year - Amend
Estimated Revenues and
Appropriations for the FY 14/15
budgets**

Mayor Robertson stated that she was hearing that they could have those details brought back with the City Administrator along with recognizing that there still is bargaining units and side letters.

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Mr. Harris stated anything related to City Council pay is regulated by Resolution. Unless that Resolution is amended they probably want to be careful.

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Council Member Scott stated that he doesn't think they want to include themselves whatsoever.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Scott and carried by unanimous vote to Approve Budget Resolution No. 6700, Rialto Successor Agency Resolution No. SA4-15, Rialto Utility Authority Resolution No. 001-15, and Rialto Housing Authority Resolution No. 02-15 to Amend Estimated Revenues and Appropriations for the FY14/15 Budgets of the City, the Rialto Utility Authority, Redevelopment Successor Agency, Rialto Housing Authority; and Approve Resolution No. 6701 to Amend the FY14/15 Authorized Positions List, and to Approve the General Fund Surplus Capital Requests. Also, to allocate an amount of money that details of any particular benefit to employees would be subject to the meet and confer process and a side letter.

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**TAB 4 – Update on the Concession
Agreement Water and Wastewater
Capital Improvement Program**

Robb Steel, Development Services Director presented the staff report regarding a status update on the Concession Agreement Water and Wastewater Capital Improvement Program.

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Council Member O'Connell left the dais at 7:53 p.m. and returned at 8:00 p.m.

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Mayor Robertson asked why six months when they need to stay with the 60 to 90 days.

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Mr. Steel stated so 90 days would be in May.

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Mayor Robertson asked on the eliminated projects, refresh her memory as to why they removed the fire hydrant replacement. Was that one or all?

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TAB 4 – Update on the Concession Agreement Water and Wastewater Capital Improvement Program

Stephen Dopudja, West Yost Associates, stated that the fire hydrant replacement program, when the CIP was developed, originally with American Water it was a budgetary item knowing that some of the fire hydrants had not been replaced as expected. So a budget item was put in the and what has happened since is that RWS has gone out in the field to see if that budget was appropriate based on their field observations they felt that it could be reduced. So it's a programmatic replacement which is found to be unnecessary at this time.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Scott and carried by unanimous vote to receive and file a status update on the Concession Agreement Water and Wastewater Capital Improvement Program; direct staff to explore Progressive Design Build approach and/or Lump Sum Design Build alternative for Project S1, and direct staff to file a status update on the Concession Agreement Water and Wastewater Capital Improvement Program for the next six months on August 25, 2015.

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TAB 5 -Final Construction Work for the Manhole Rehabilitation

Robb Steel, Development Services Director presented the staff report regarding Final Construction Work Authorization for the Water Facility Improvement Project SA - Manhole Rehabilitation.

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Motion by Council Member Scott, second by Mayor Pro Tem Baca Jr. and carried by unanimous vote to approve a Final Construction Work Authorization for \$268,328 to Rialto Water Services for the Water Facility Improvement Project SA - Manhole Rehabilitation.

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TAB 6 – Final Construction Work for the Meter Replacements

Robb Steel, Development Services Director presented the staff report regarding Final Construction for the Recurring Capital Project (Meter Replacements).

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Mayor Robertson stated in the staff report under the new jobs, employment impact, they indicated using 3 full time employees working 40 days for 20 days?

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Mr. Steel stated its 40 hours for 20 days.

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Mayor Robertson stated on that note there are no new jobs created from this work. The conversation and part of the concession agreement was about generating jobs and pulling in workforces. However, with the way they structured it now they are not really seeing the number of jobs they talked about in the course of the concession agreement.

**TAB 6 – Final Construction Work
for the Meter Replacements**

Mayor Robertson stated so in the next report in 90 days, she would like a report on exactly how many jobs have been added with the workforce from Veolia. She is concerned that they are now going to be rolling out work but she doesn't know if there has been any increase in staff in the field that is going to be able to do the new work in addition to the day to day work. She would like to see how they are adding those positions and making sure Veolia is giving the level of service to the customers.

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Motion by Mayor Pro Tem Baca Jr., second by Council Member Scott and carried by unanimous vote Approve a Final Construction Work Authorization for \$118,934 to Rialto Water Services for the Recurring Capital Project (Meter Replacements), Concession Agreement Capital Recurring Project WA for Year 3 of the Five Year Plan.

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**TAB 7 – Reject All Bids for the Bud
Bender Park Rehabilitation
Project**

Gianfranco Laurie, Public Works Department presented the staff report regarding rejecting all Bids Received for the Bud Bender Park Rehabilitation Project, City Project No. CB1302.

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Scott Rice, Community Works and Design Group presented a PowerPoint presentation to identify several methods on how to get the project within the City's budget.

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Council Member O'Connell stated that Gianfranco did an amazing job brief them, he was extremely prepared for his questions. This looks like a project that is definitely doable. They met with some of the citizens about this as well. It looks like they can move this along and get it accomplished as soon as possible.

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Mayor Pro Tem Baca Jr. stated that he and Council Member O'Connell are on the sub-committee. A couple of snags they ran into in the original bid process was that there were 4 types of bids and this made it a problem for many of the contractors because it was tedious. Also, this happened around the holidays so it was difficult to get a good bid. He appreciates staff coming back with the consultant to look for alternative ways to save costs. The most important thing is to continue to move this project forward. The Pony League has a dilapidated field, he thanked staff for reaching out to the Pony League and letting them know the timing of this and when they plan on making arrangements for them to be gone. This is a great project that is long overdue. This is an old park, it's time to add additional parking, additional lighting, walking spaces, new playground, new field, and new snack bar/bathroom. The residents deserve it.

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TAB 7 – Reject All Bids for the Bud Bender Park Rehabilitation Project

Motion by Mayor Pro Tem Baca Jr., second by Council Member O'Connell and carried by unanimous vote to (1) Reject All Bids Received for the Bud Bender Park Rehabilitation Project, City Project No. CB1302 and (2) Approve a Purchase Order in the Amount of \$31,322.69 with Southern California Edison.

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REPORTS

Council Member Palmer stated that he attended the East Rialto Kiwanis Student of the Month Award and on behalf of the city he presented certificates of recognition to the students of Eisenhower High school and Carter High School.

He congratulated Lt. Karol on his promotion to Captain.

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Council Member O'Connell stated that he attended a Jazz Festival update meeting.

He attended a Bud Bender Park meeting.

He was invited to a PD Award Ceremony, who was acknowledging all the employees for the last year.

He congratulated Lt. Karol on his promotion to Captain.

For the meeting on March 24th he would like a TAB item to discuss their involvement in the future concept of Sister City and Cuba.

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Council Member Scott stated that he attended EDC this week. Regarding priorities of the City, one of the items was about an intersection of the City where some improvements were recommended to the tune of \$4 million. It was based on future traffic at that intersection. He thinks they have to look at priorities in the City and the very next day he came up Riverside Ave. from the City of Riverside. It takes on a Friday evening an hour and a half to get from the City limits of Rialto to downtown Rialto. Riverside Ave. south of the 10 freeway needs to be a priority in dealing with traffic congestion. He knows they need a new bridge over the railroad tracks. But if they are going to spend \$4 million that's where he'd like to see it spent. He has no idea how emergency vehicles get up and down there.

He stated that on South Riverside, south of the 10 freeway that there are a number of fire hydrants missing. Are they being removed that haven't been replaced? This is a safety concern for him.

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Fire Chief Mat Fratus stated that this is an issue that they are currently looking into now. It is a safety issue for them. They have been working with West Valley Water to get an inventory of hydrants in that area and other areas in the City. He is confident they will be able to move forward quickly in getting those repaired.

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REPORTS

City Administrator Story stated that they will work in coordination with them. Council Member O'Connell brought that question up last meeting. They have been doing research and have been in touch with Veolia and West Valley. They will follow up with a report, especially south of the 10 freeway.

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Council Member Scott stated regarding the meeting travel request, there was difference in his request and the Mayor's request by \$2.63 and it related to mileage. When he asked staff why there was a difference, they said because he lives in South Rialto and the Mayor lives in North Rialto and it's further to Lake Arrowhead. He doesn't know if there is a standard policy that says to take the mileage from City Hall or from home. If \$2.63 is a big issue he is more than happy to drive a city car versus spending mileage.

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Mayor Baca Jr. stated regarding water conservation, one of the things they need to take a look at is using recycled water to water the parks and city properties.

He congratulated Rialto High School Boys Basketball team, they won their first league championship in the history of Rialto High School. He congratulated Rialto High School Boys and Girls Soccer teams who won the first rounds in the playoffs. It's good to see young athletes in the community do well.

He applauded staff and his colleagues for approving some of the capital projects. It's important they show public confidence that they are re-investing back to them. Tonight they approved a lot of things that the public will see the benefit from.

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Mayor Robertson went on a field trip with school district staff and public works staff to review the safe routes to school at some of the elementary schools. They have an active transportation grant from the State they received. It focuses on improving the routes to school and active transportation, pedestrian, bicycling and other modes of transportation.

She met with the Executive Director of Omnitrans Mr. Graham so they could talk about their routes in the City. With the opening of Pepper Ave. now they can bring a route down Pepper Ave. They also discussed the Bus Rapid Transit designated to go down Foothill Blvd. and discovered that there had been a study and analysis. The Foothill Corridor planned to be the second phase and a study showed that there would be greater ridership if it was moved to the West Valley Corridor coming from Pomona, Montclair through Ontario, Rancho Cucamonga. But it's important they get the BRT system back on Foothill.

REPORTS

Mayor Robertson stated that last week they had a check presentation. They received a State grant of \$1.4 million that they will administer over the next 3 years by the Police Dept. for a gang reduction intervention program. This grant will target elementary from 4th grade through 8th grade. Early intervention is great.

She had the pleasure of a meet and greet with new Congress member Pete Aguilar.

She stated in an effort reach out and partner with RUSD youth and other community based organizations, through Shades of Blue they launched a Rialto Aerospace Academy. The inaugural program will conclude this Saturday with a graduation ceremony. She invited all her colleagues to attend.

She wasn't able to attend this past week that RWS/Veolia had a community open house and a science fair.

She wished her grandson Jeff Smith a Happy 26th Birthday. He has worked for the YMCA for the last 5 years in San Diego. 2 weeks ago he enlisted into the Army.

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City Administrator Story stated that this Saturday they would be recognizing former Recreation Commissioner Frances Brooks by renaming Room 101 - The Frances Brooks Conference Center.

He announced that this Thursday the Pool will reopen. The new heater has been installed.

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City Attorney Galante stated that there is a new proposed trailer bill that is proposed for the Governor's budget agenda. It seeks to make unfavorable changes to the redevelopment dissolution bill. He will provide information to the City Administrator on those issues.

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Mayor Robertson congratulated newly promoted Captain Karol.

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ADJOURNMENT

Motion by Mayor Pro Tem Baca Jr., second by Council Member Scott and carried by unanimous vote to adjourn the City Council meeting at 8:55 p.m.

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